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Spook No. 2

The CIA gets a new deputy

When the White House announced the retirement of Admiral Bobby Inman as deputy director of the CIA two weeks ago, members of both parties on Capitol Hill loudly lamented the loss of their favorite spy. Who, they wondered, could they possibly trust and respect as much as Inman? The Reagan Administration came up with a successor last week who pleased many of the doubters. He is John N. McMahon, 52, now the No. 3 man at the CIA. Said Washington's Democratic Senator Henry Jackson: "He's a first-rate pro." Observed Admiral Stansfield Turner, who headed the CIA from 1977 to 1981: "John McMahon is the most well-rounded intelligence professional in the U.S. today."

McMahon joined the agency in 1951 after graduating from Holy Cross College in Massachusetts. He spent the next eight years overseas (the CIA refuses to give details) and returned to the U.S. in 1959 to work on the top-secret U-2 spy-plane program. In 1965 he was named deputy director of the agency's Office of Special Projects; six years later he became head of the Office of Electronic Intelligence, which is responsible for the CIA's eavesdropping operations. After moving through a series of high-level jobs during the 1970s, McMahon was placed in charge of clandestine operations in 1978. Three years later CIA Director William Casey tapped him for executive director, a post from which he has run the day-to-day operations of the agency.

Some members of the Senate Intelligence Committee are worried that although McMahon has held a number of senior posts at the agency, he may lack the analytical skills for his new job. There is also concern that McMahon lacks the clout and independence to push successfully for his own policies, and may not stand up to Casey. Some Senators feel that the CIA director is too eager to expand his agency's intelligence-gathering operations within the U.S. Inman, by contrast, had headed the National Security Agency before joining the CIA in 1981 and had already built up his own constituency within Congress.

McMahon will almost certainly be confirmed by the Senate. Hearings are expected to begin later this month, with a vote likely by early June. If McMahon clashes repeatedly with Casey, observers predict, he is independent enough to follow Inman's footsteps—right out the door. Said one former CIA official: "He's nobody's patsy. He has his pension and can leave when he likes."



McMahon

A Big Challenge For New CIA Head

As John N. McMahon takes over the No. 2 spot in the United States intelligence community, he faces one overriding challenge—to reassure Congress that America's spy apparatus is under firm control.

President Reagan named McMahon, 52, to the post on April 26, only days after the highly respected Adm. Bobby Ray Inman resigned as deputy director of intelligence.

McMahon, who joined the Central Intelligence Agency fresh out of Holy Cross College in 1951 and has headed each of the major elements of the agency, is now executive director of the CIA, in charge of its day-to-day operations.

In his new post as deputy to Director William J. Casey, McMahon will be responsible not only for the CIA but for the entire 10-billion-dollar-a-year U.S. intelligence apparatus, which includes everything from human agents to high-flying spy satellites.

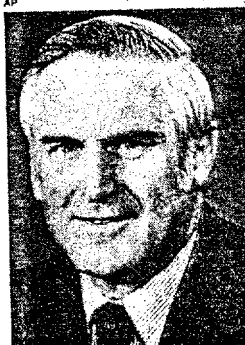
Key members of Congress have expressed misgivings about Casey, a millionaire lawyer and entrepreneur who served as Reagan's campaign director. Since Casey's experience as an intelligence officer was in the no-holds-barred days of World War II, lawmakers say they slept better at night knowing that Inman was there to help mind the shop.

McMahon's professional credentials are beyond challenge.

Still, confirmation hearings in the Senate will test whether he has the political savvy to deal with Congress and the muscle to resist those who want the CIA to conduct more risky, covert operations overseas and resume spying at home.

Inman stood up to such pressures—but in doing so he had to fight bruising bureaucratic battles that helped persuade him to retire.

Inman also set in motion a major effort to modernize the intelligence apparatus. As it stands now, he says, the system is good enough to rule out another surprise attack like Pearl Harbor but is only barely capable of dealing with the uncertainties of the '80s and '90s. The job of making the needed improvements now falls largely to McMahon and his boss, Casey.



John N. McMahon